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SECURITY INFORMATION

Cyprus

17 Oct 1952

MEMORANDUM FOR: Deputy Director (Administration)

ATTENTION: Chief of Procurement and Supply

25 YEAR RE-REVIEW

SUBJECT: FBID Mediterranean Bureau Housing

1. United States Air Force plans the establishment of a radio intercept station in the vicinity of Kyrenia, Cyprus, in early 1953 with an eventual personnel strength of 800. The effect on the limited local rental housing availability will be adverse. Provision of housing for non-indigenous personnel is therefore considered essential for continued operation of the Foreign Broadcast Information Division Mediterranean Bureau in Cyprus. Such personnel now occupy local housing in Kyrenia through private arrangement.

2. FBID requires an estimated thirty houses and a BOQ to house its non-indigenous staff. Alternatives are:

a. Long-term leasing of presently occupied quarters to be provided classified employees in lieu of quarters allowances and to be provided other non-indigenous personnel on a partial reimbursable basis.

b. Purchase of existing houses and a small hotel.

c. Construction.

3. Long-term leasing is considered the most satisfactory method if leases can be negotiated economically and in such a manner that availability of housing to the FBIS is assured for a period of five years regardless of changes in occupancy. A project containing this recommendation, concurred in by the Comptroller and General Counsel, was presented to the Projects Review Committee on 19 September 1952. The PRC ruled that since such leases involved no additional expense to the Government with the possible exception of approximately \$3,000 annually this was not a proper project for their consideration. At the same time the PRC authorized the Office of Operations to investigate the possibility of such long-term leases and if necessary to solicit the advice and assistance of Foreign Building Operations, Department of State. The latter was suggested on the basis that State is authorized by law to enter into long-term leases.

4. Informal contact indicates that the Department of State would be reluctant to enter into long-term commitments without full guarantee of reimbursement for the entire period of the leases. The Office of the General Counsel has advised informally that leases

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for periods of five years, provided they contain clauses allowing for cancellation in the event that funds are not appropriated in any fiscal year, will be acceptable to the General Accounting Office. On this basis it appears desirable that the Agency negotiate leases directly, in the name of the Foreign Broadcast Information Service.

5. It is therefore requested that a representative of the Office of Procurement and Supply be sent to Cyprus to:

a. Investigate the feasibility of negotiating five-year leases under the foregoing conditions and in accordance with the provisions of local Cyprus law.

b. Negotiate such leases if practicable.

c. Investigate other alternatives if long-term leasing proves to be impracticable.

GEORGE G. GARY
Assistant Director for Operations

CONCURRENCES:

General Counsel

Date

Comptroller

Date

Procurement and Supply

Date

OO:FB:RGS/pgc - 14 Oct 52
ADD - C&2 OO - 2
GC - 1 Return FB - 1
Comp - 1 AMW - 1
P&S - 1

Approved by DD/A - 28 Nov 52

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